

But I would suggest to you that every President has said they need the line-item veto as a tool whether it be as President Ford or President Carter or President Bush or President Reagan saw it, and now as President Clinton sees it.

I wonder how the Senator from Nevada reconciles his views with that of the President of the United States? The fact is that a veto is a veto is a veto, which means two-thirds majority, a majority vote in one House is less than an overriding veto because it took a majority vote in both Houses in order to put the unnecessary wasteful spending in.

So, I say to my friend from Nevada. I appreciate his input as far as the macro issues that we have to resolve. I would also suggest to him that the abuses that he describes would so naturally accrue to any President of the United States threatening Senators or Members of Congress who were doing certain actions, line-item projects in their State. I could hardly wait for a President of the United States to do that to me. I could hardly wait. There are the media, the people of my State. It is the last time that a President of the United States or his party would ever carry my State in a Presidential election if he tried to blackmail me or any representative of my State. In 43 States of America, including a former Governor of Missouri who spoke on Friday—and I do not believe the Senator from Nevada was ever Governor—the Governor never threatened to blackmail anybody. He said he could not balance the budget in his State without having the line-item veto, which he and 42 other Governors have.

Again, I do not think we can reconcile the facts. There are opinions as to what happened and as to what we need to do. But there are facts that indicate that the Federal debt and deficit are out of control and almost every expert in America, including 83 percent of the American people, say, "Give the President of the United States the line-item veto." When they say veto, they mean veto, and they do not mean overriding by one House of Congress.

I say again to my friend from Nevada, with 70 Democrat votes, the line-item veto that is being proposed here was passed by the House of Representatives, and I believe their will is perhaps more in tune with American public opinion today than is true over here in this body.

I yield the floor.

Mr. REID. Mr. President, I am going to vacate the floor shortly. But I want to make sure the record is very clear that there is no way I think spending is now under control, even though we have made significant progress. This is the third year in a row where we have a declining deficit—the first time in 15 years. Federal payroll is about \$150 million less; economic growth is the highest since the days of President Kennedy. Good things are happening, but we have much more to do. What we have to do—and more important than

anything else, as indicated by the Senator from Arizona—is to do something about the deficit that is already here and the deficits that come about every year. We must do something about that. I served a year on the entitlement commission. We have a lot of work to do and we have a lot of programs that need to be looked at, because 46 percent of every dollar we spend is for entitlement programs.

The Impoundment Act, there has been a lot written about that. But it was an effort to go after President Nixon—the so-called imperial presidency that people talked about. I think a lot of things done as a result of Watergate were not good Government. It was a reaction to a man rather than a form of Government. That is why I am so concerned about what we do here.

The record should be very clear. The deficits have accumulated. But the big jump, of course, as indicated on the chart my friend just showed the Senate and the American public, occurred during the Reagan years, when in fact we cut back on our income and increased spending considerably. We cut back on the revenues, reduced taxes, and increased defense spending and other spending, and as a result of that, trillions of dollars in debt accumulated. We have to do a better job of taking care of those problems than we did. The problem with the debt going up is not as a result of passing a law to do away with the Impoundment Act. It is as a result of simple mathematics. When you spend more than you take in, you accumulate a debt. That is what happened beginning in the Reagan years, and that is what is happening now. We need to get that under control.

I am not here to argue that every matter and every appropriations bill is good. I think there are things in appropriations bills that should not be in there, that are the result of compromises of committee members, and as a result of back-room politics, for lack of better words. The President should have an easier way of getting to those items, and I am willing to give him that. If we are unable to arrive at that, I hope President Clinton, and other Presidents that follow him, would be more demanding in what they ask in their appropriations bills. I am confident and hopeful that we can arrive at a reasonable compromise in the next few days in this body.

It is my understanding that there is going to be no effort to stop this motion from proceeding. We are going to go ahead to the bill. There is no attempt to delay it. But I think it is a question of how to approach a problem. I believe that the approach of my friend from Arizona—as well-intentioned and as desperate as he is to get spending under control—is not the right way to go. I hope he and other sponsors of the legislation will step back and look at what we have in the Domenici proposal and see if the proposal that is going to be offered in the form of a substitute is not something

that would better serve this country. We need to get spending under control, and we need to work on some of the things I have talked about and some of the outrageous things that the Senator from Arizona has talked about over the years that have taken place in appropriations spending bills.

Mr. McCAIN. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be deducted equally from both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak as if in morning business for 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTEGRITY OF THE DEPARTMENT OF DEFENSE BUDGET

Mr. GRASSLEY. Mr. President, over the next few days, I intend to give a series of speeches on the integrity of the Department of Defense budget.

Before I get started, and for the benefit of all new Senators, I want to give some background on how I got involved with these defense issues.

I want to share a small piece of history with my colleagues. I think we can learn from this history and hopefully we can avoid past mistakes. But we cannot learn from our mistakes if the history remains buried in old issues of the CONGRESSIONAL RECORD. So I want to share my experiences with, particularly, my new colleagues, because over half of the Members in the Senate today were not Members of this body 10 years ago when President Reagan's massive military buildup was fiercely debated right here in this Chamber. I think that was a defining experience for me.

We made a major decision when we stopped the Reagan defense buildup that, at that point, had been going on for 3 or 4 years. This process helped to shape my thinking, as I said. Even though it took place more than 10 years ago, I think it still is having some ripple effect today. Its mark on current defense policy is unmistakable. So it is important to understand the dynamics of that debate, at least from my perspective.

I was convinced—almost from day one—that the Pentagon, through its actions, was bent on launching a wasteful budget buildup. I was convinced that we were about to throw huge sums of money at a problem better solved by structural reform and honest management.

Let me say that by the time we finally made a decision to stop the Reagan defense buildup and freeze the defense budget, we had, in fact, wasted a lot of money.

So, seeing this, I did—and there were several others that did, as well—what I could to stop this waste of money. I offered an amendment to freeze the defense budget. That was on the fiscal year 1986 budget resolution. My amendment was adopted on May 2, 1985, by a one-vote margin of 50 to 49. That act alone threw a monkey wrench into the Reagan administration's plan to continue their ramp-up of the defense budget.

But, more than anything else, it was the spare parts horror stories in the early 1980's that changed my thinking on this issue. You know, the \$750 pair of pliers or the \$7,000 coffee pot. The spare parts horror stories were a turning point. They convinced me that the plan for this massive ramp-up of defense expenditures was a colossal taxpayer ripoff. These spare parts horror stories undermined the credibility of the Reagan defense buildup. The spare parts horror stories turned me into a defense reformer. They drove me to watchdogging and to digging into fraud, waste, and abuse at the Pentagon.

That was early in my Senate career.

I began watchdogging from my vantage point as a member of the Budget Committee and as chairman of the General Oversight Subcommittee of the Judiciary Committee.

I am not, nor ever have been, a member of the Armed Services Committee, and only served 4 short years on the Appropriations Committee.

So, as a conservative Republican, it is not easy for me to take on these issues, not being on the appropriate committees. But if common sense tells me something is not right, I speak out and I dig. I am still digging today, and I hope a lot of my colleagues are digging as well.

As a consequence of my position on defense, I took a lot of heat from Republicans during the 12 years of the Reagan-Bush administrations. Most of my colleagues on this side of the aisle think that defense is some kind of sacred cow. They think it has been inoculated and should be immune from criticism. They take a dim view of my position on defense.

The Democrats, by comparison, gave me no heat at all. In fact, on defense issues, I got a lot more support from Democrats than I did from Republicans.

In the 1980's, Democrats—plus a handful of Republicans like Senator ROTH, for example—helped me ferret out waste and abuse at the Pentagon.

I had the privilege of working closely with a number of Democrats, some in the House, some in the Senate—Senators like Senator PRYOR, Senator LEVIN, Senator BOXER, and others—to bring about some defense reform. We worked together to freeze the Department of Defense budget. We worked to-

gether to beef up independent testing of a new weapons system. We crafted the false claims bill, which brought \$1 billion of fraudulent wasted money back into the Treasury, and we passed the whistleblower protection legislation. And we worked together to cut out wasteful spending.

That is my point, Mr. President.

When we had a Republican President and a Democratic Congress, it was very unpopular for a Republican Senator to take on a Republican President on defense. But I was not afraid to do it.

Then in 1993, as you know, we got a Democratic President with a Democratic Congress. I kept right on doing what I had been doing—digging into fraud, waste, and abuse at the Pentagon—even though some of my Democratic allies at that point seemed to disappear into the weeds because they did not want to be criticizing a Pentagon run by a political appointee of their party.

Now we have a Republican Congress, Mr. President, but we still have a Democratic President. And it happens that this Democratic President is considered weak on defense.

Once again, it is very unpopular to tangle with the Pentagon. But I intend to keep right on doing it as we move into this budget season once again.

Because the same old problems persist. So we need to keep right on digging. We need to keep right on watchdogging just like before, because really, Mr. President, nothing has changed.

I only hope that the Members on the other side of the aisle will be there when I and the American people need them. I say that because they are the President's party. I hope a few of my Republican allies will help me bring some fiscal discipline to the Pentagon budget.

I hope all the new Members of the Senate who were not here the last time we debated this issue will study it very closely. I hope that the new Republican Members who ran on a campaign of no longer business as usual, they ran on a campaign to make a difference, everything I have seen from the new Members of this body—who are all Republicans—they are showing, every Member, that they have not changed one iota since November 8, the night of their election.

They are equally committed to showing the people of this country it is no longer business as usual. They are equally committed to making sure that things change. They have made an impact on the other Members of this body who are not new, both Republican and Democrat. They are keeping the focus where it ought to be.

I am saying, especially to those new Republican Members of this body, that I hope they will take as tough a look at how money is being spent in the Defense Department and that they will not buy the argument that you can throw money at the Defense Department and automatically get more defense, any more than I know these new

Members will accept the argument from the other side of the aisle on social welfare, education, and a lot of other domestic programs, that all we have to do somehow is spend more money and we automatically get more and better programs.

The fact of the matter is, it does not matter whether it is Republicans or Democrats, Republican spending on defense or Democrat spending on social programs, we only get for our money what we make sure we get for our money. It is not how much money we appropriate. It is how that money is spent that we ought to be concerned about. And it will determine whether or not we have a strong national security program, or whether we have a strong education program, or a strong welfare program.

I hope that my allies—and I hope we have some new allies, as well—will fight just as hard with me for a good, sound, defense policy now that the Republicans are the majority party in this Congress. I hope they will help me make sure that the taxpayers' money is spent wisely and, most importantly, according to law. I will have four or five speeches later on in the next few days on how some of this money is not being spent according to law.

I hope they will help me make sure that the citizens get a full and accurate accounting of how their money was spent by the Pentagon. And I hope that my speeches will help set the stage for a better understanding of the problem and more sound decisions on defense. I hope they will help the new Senators understand that just throwing more money at the Defense Department will not automatically give Americans greater and better defense.

Tomorrow I plan to talk about the accuracy of the Department of Defense budget and accounting data. As I go along, I hope to draw on my experiences with the defense issues of the 1980's. I want to use those experiences as a way of trying to bring today's defense debate into sharper focus. I yield the floor.

LINE-ITEM VETO

Mr. COATS. Mr. President, while we have several speakers lined up today to speak on the line-item veto, none is here at this time. I think what I will do is take the occasion to delve into a little bit of the history of line-item veto so we could at least make that part of the record.

On Friday, I spoke at length in response to the minority leader's presentation before the Senate, of his concerns and objections about the line-item veto and the direction he thought he should go. I do not know that I need to repeat those at this particular point.

Let me reflect back a little bit on how we got to this particular point and why line-item veto was considered necessary by a number of our former